

# THE HORN

**AAAMS, Inc.**

**DBA New York State Automotive Aftermarket Association**

Serving the Automotive Aftermarket in North Carolina, South Carolina, Tennessee, Virginia, and New York



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## THE MOUNTAINS ARE CALLING!!!

2021 AAAMS, Inc. (DBA NYSAAA) Business Conference September 23-26, 2021

The Margaritaville Resort, Gatlinburg, Tennessee

### “Climbing the Mountain Back to Normality ... And Beyond”

Nestled in the foothills of the Great Smoky Mountains National Park, Gatlinburg, TN, is a quaint town with hundreds of shops and restaurants, and attractions. Gatlinburg provides a small-town appeal reminiscent of a Norman Rockwell illustration...all in an accessible, walkable destination.

The Margaritaville Resort provides Gatlinburg with the authentic resort experience. Rustic mountain elements are seamlessly layered with the understated luxury of a tropical escape...creating a mountain paradise with an island state of mind. A sanctuary for relaxing and recharging for another day of living life to the fullest, the resort's guest rooms and suites are artfully designed with the vibrant colors of nature, lavishly comfortable bedding, thoughtful amenities and luxurious touches. With so many entertaining choices, you can have a unique experience every day! The Margaritaville Resort-Gatlinburg was named the best new hotel in 2018 in the country by USA Today's 10 Best Reader's Choice Travel Awards.

What's new in Gatlinburg? Well, Blake Shelton's long-awaited restaurant and bar, Ole Red Gatlinburg, officially opened in downtown Gatlinburg in March 2019. There is also a newly opened SkyBridge, measuring nearly 700 feet in length.

Ripley's Aquarium of the Smokies, named the #1 Aquarium in North America by USA Today 10 Best Reader's Choice for 2019 and Anakeesta, named top attraction in 2018 by the Tennessee Hospitality & Tourism Association, are also must-see attractions in this quaint town. And finally, Gatlinburg boasts one of the largest Arts & Crafts communities in the U.S.

Please join us this year and enjoy all Gatlinburg has to offer! Attached you will find a complete schedule, registration form and room reservation information sheet.

**WE HOPE TO SEE YOU IN GATLINBURG!!!**

## Industry News

### Parts Proliferation, COVID-19 & eCommerce

#### The Lang Report

*“The number of products required to repair the diverse, aging, and increasingly complex population of cars and light trucks on U.S. roads is expanding at an exponential rate, causing the aftermarket proliferation problem to grow in size and scope.”*

*“Light vehicle aftermarket parts proliferation is being fueled by three major factors. Lang Marketing projects that parts proliferation will soar over the next five years, increasing the logistical and inventory burdens of Manufacturers, Distributors, Retailers, and Installers.”*

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# Parts Proliferation, COVID-19 & eCommerce

*Continued from page 1*

## Aftermarket Parts Proliferation

Parts proliferation is growing across the U.S. aftermarket because of the expanding array of products that is necessary to repair the changing population of cars and light trucks in the U.S. Parts proliferation is forcing Manufacturers, Distributors, Retailers, and Installers to inventory and manage a growing array of light vehicle aftermarket products.

### Three Factors Are Driving Parts Proliferation

Parts proliferation in the light vehicle aftermarket is being driven by three factors: foreign nameplate expansion, the aging vehicle population, and the growing complexity of vehicles.

- **Factor 1: Foreign Nameplates:** Foreign nameplates represent an increasing number of light vehicles in operation (VIO). The foreign nameplate VIO share will reach 51% by the end of 2021. Since 2010, the foreign nameplate share of cars and light trucks has soared by more than one third.
- **Factor 2: Vehicle Age:** The light vehicle average age will climb significantly between 2020 and 2024, and the age mix of vehicles is shifting toward higher age categories. Cars and light trucks at least 14 years old will be one of the fastest growing vehicle age groups between 2020 and 2024. This will boost the average age of cars and light trucks and extend the vehicle age range for which parts must be stocked.
- **Factor 3: Vehicle Complexity:** Cars and light trucks have become more complex, with this advanced technology affecting virtually all vehicle operating systems. The number of aftermarket smart parts (vehicle components with special sensors and software) will increase by an estimated 40% from 2020 through 2024. During these five years, the number of vehicles with Advanced Driver Assistance Systems (ADAS) will soar. Vehicle technology is adding significantly to the number and cost of parts that Manufacturers, Distributors, Retailers, and Installers must inventory and manage in order to support the repair of light vehicles.

**Factors Grow More Intense:** These three factors that are driving parts proliferation will intensify over the coming years, increasing the inventory and logistical demands on the aftermarket supply chain in all channels and at all levels of the distribution system.

**COVID-19 Impact:** COVID-19, by reducing the sales of new vehicles during 2020 and for some time in the future, will accelerate vehicle age growth and expand the size of older age groups of cars and light trucks. COVID-19 has also greatly accelerated the growth of eCommerce, which will lead to changes in the distribution channels that already are struggling to deal with the growth of parts proliferation.

**eCommerce Silver Lining:** Parts proliferation is forcing many eCommerce sellers to rely on conventional aftermarket distribution channels to supply and fulfill parts that they sell. The “long tail” of many aftermarket products makes it difficult for eCommerce sellers to keep an inventory of a large percentage of the products that they sell, contrary to many other types of product categories that they handle. Ironically, as eCommerce sellers increase their volume, many Traditional Warehouses and other distribution centers are being tapped to provide the fast-growing eCommerce sellers with an increasing volume of the products that they sell.

**DIFM Versus DIY:** Generally, Do-It-Yourself buyers (DIYers) will wait longer to receive products necessary for vehicle repair than customers taking their vehicles to a repair shop (Do-It-For-Me or DIFM market). Consequently, parts proliferation disproportionately places greater challenges on the DIFM market, which depends on the rapid delivery of products to the installation point for customer satisfaction.

### Six Major Takeaways

- The increasing number and array of products necessary for the repair of cars and light trucks on U.S. roads is rapidly expanding the problems of parts proliferation.
- Three forces are driving aftermarket parts proliferation: foreign nameplates, vehicle age, and vehicle technology.
- Foreign nameplates will account for a majority of cars and light trucks during 2021, up from only a 37% share in 2010, significantly increasing parts proliferation.
- The vehicle ages at which parts can be removed from aftermarket inventories continues to rise, as the average age of vehicles continues to climb and there are more vehicles in older age groups on U.S. roads.
- Vehicles are becoming more complex. Technology advances (including hybrid and electric vehicles) are adding to the diversity and cost of parts that Manufacturers, Distributors, Retailers, and Installers must stock and manage in order to repair light vehicles.
- Parts proliferation is changing how many eCommerce sellers are fulfilling their orders, and it also presents disproportionate challenges for the DIFM sector of the market. Both of these factors have important consequences for the performance of major distribution channels supplying the car and light trucks aftermarket.

## US Automotive Aftermarket Sales Forecasted to Increase 11.2% in 2021

*The Joint Channel Forecast Model presented by the Automotive Aftermarket Suppliers Association and the Auto Care Association details a strong aftermarket recovery coupled with indicators for continued growth.*

The automotive aftermarket proved its resiliency once again with a stronger than expected performance in 2020, despite the global COVID-19 pandemic, and is anticipated to recover robustly in 2021. Total United States light duty automotive aftermarket sales are forecasted to increase 11.2% in 2021, totaling \$325 billion, according to the "2021 Joint Channel Forecast Model" produced jointly by the Automotive Aftermarket Suppliers Association (AASA) and the Auto Care Association. This data was initially released in a joint, member-exclusive webinar led by Shane Norton of IHS Markit on June 7.

An additional 5.3% growth is expected for 2022 and growth will average more than 4% in 2023 and 2024, bringing the light-duty aftermarket to \$372 billion.

"The aftermarket has once again proved its toughness, and the pandemic affected the aftermarket less severely than other industries and even less than forecasted within our own industry," said Paul McCarthy, president and COO, AASA. "The Joint Channel Forecast shows that the continued success and resilience of the aftermarket will only continue in upcoming years. Right now, aftermarket suppliers are dealing with the challenging impacts of a boom, including supply chain disruptions, yet the forecast shows continued strength for the aftermarket well into the future."

"Increased reliance on personal transportation coupled with shifts in consumer purchase and maintenance behavior primes the aftermarket for continued growth," said Bill Hanvey, president and CEO, Auto Care Association. "The pace at which consumers return to normal mobility patterns will also dictate the future growth of our industry. Indicators suggest that consumers will continue to hold on to their older vehicles, which creates further opportunity for the aftermarket. COVID-19, while a challenge, was a catalyst for many of the tailwinds we're experiencing today."

Key data in the joint channel forecast model include:

- Market trends influencing the aftermarket;
- A 2020-2024 review of industry growth and forecasts;
- Industry sales by channel including history and forecasts;
- Industry sales by distribution channel;
- And more.

The market sizing and forecast are conducted on behalf of AASA and the Auto Care Association by IHS Markit, a leading business intelligence firm. The forecast is based on the U.S. Census Bureau's Economic Census, IMR Inc., and proprietary data, economic analysis and forecasting models from IHS Markit.

The Joint Channel Forecast Model is available at the AASA website, [www.aftermarketsuppliers.org](http://www.aftermarketsuppliers.org), and in the Auto Care Association's 2022 Auto Care Factbook at [digital.autocare.org/2022factbook](http://digital.autocare.org/2022factbook).

## Average Age of U.S. Cars Reaches All-Time Record of 12.1 Years

*By Matthew Crisara, Motor1.com*

Among many profound lifestyle changes we all endured in 2020, Americans drove quite a lot less and scrapped their old cars more---about 5% of the total U.S. fleet went to the junkyard in 2020.

That move had an unusual effect, though. Here in the States, our transition into pandemic life led to an increase in the average age of our vehicles to a record-setting high of 12.1 years.

You'd be led to believe scrapping so many vehicles would lower the average vehicle age. To offer some perspective, 15 million vehicles were scrapped in 2020, while vehicle miles traveled declined by 13%. Sure, discarding such a staggering amount of vehicles would normally lower the average age, but the combination of distance traveled and the chip shortage led to the contrary.

Keen readers will know these manufacturing difficulties led to new vehicles skyrocketing in price---if you could even get your hands on one. This meant more people than ever opted to purchase a used car. Even with buyers pivoting towards the used market, pre-owned vehicles weren't immune from similar price hikes.

Unfortunately, many automakers are currently struggling with more than just chip shortages. GM recently suspended orders for its 2021 C8 Chevrolet Corvette amidst another parts shortage. Details remain sparse, but we know Chevrolet won't reach its original production goal for 2021---the aim is to ensure 2022 models will roll out on schedule.

Thankfully, vehicle age is forecasted to go back to normal later this year after owners trade in their current set of wheels for a newer model. Until then, the market will remain the oldest it's ever been.

## A Subtle But Deadly Killer of Sales

By John Chapin

If you've read past sales articles of mine, you know I talk a lot about the two major keys to sales success: lots of the right activity and great sales skills. That said, while a lack of activity is the biggest killer of sales success, a lack of great sales skills isn't the second biggest killer. The second biggest killer is more subtle. In fact, it's so subtle that most salespeople go through their whole sales careers and never figure this one out and, as a result, never become the salesperson they could be.

### The Second Biggest Killer of Sales

I won't make you read the whole article to find out what the second biggest killer of sales is, here it is: the second biggest killer of sales is **not being direct**. Coincidentally that's also the second biggest issue I run into with salespeople I train. Number one is lacking the first key to sales success: lots of the right activity. Most of the salespeople that struggle simply are not making enough calls to get enough qualified prospects, to make the sales. While lacking the second key to sales success, great sales skills, definitely hurts sales results, it doesn't hurt sales as much as an unwillingness to be direct in sales conversations. An unwillingness to be direct by not asking enough questions and/or tough questions, will lead to incorrect assumptions and an overall breakdown in communication and the sales process as a whole. Salespeople who aren't direct will find themselves chasing people who aren't interested, aren't qualified, or both. Also, when they do talk to the right people, they'll fail to uncover all the necessary issues and buying motives.

A perfect example of not being direct is the fact that more than 60% of salespeople don't close at the end of a presentation. The average salesperson gets to the end of a presentation, asks the prospect what they think, and upon hearing a simple brush-off like, "looks good, why don't you follow up with me in a week", simply agrees and leaves. I've even been on sales calls where the salesperson finished their presentation by telling the prospect they'd follow up in a few days after the prospect has had time to think about everything that was covered.

Of course, the end of a presentation is only one area where many salespeople fail to be direct. Other common areas include: qualifying on the initial call, the needs analysis during the first and subsequent appointments, and when dealing with objections.

### Here are the most popular reasons salespeople fail to be direct:

**They confuse being direct with being pushy.** When I talk about being direct, I'm referring to the words you use, not your tone of voice and demeanor. You want to ask questions that are worded directly, in a friendly and conversational manner as if you're talking to a close friend or family member.

**They don't want to lose the lead.** Many times a salesperson is so happy they have an interested prospect, that they don't want to do anything to lose the prospect. They're afraid that if they ask too many questions, the prospect will get irritated and they'll lose them, so they don't ask the necessary questions.

**They don't want to burst their own bubble.** This one is related to the above, but this specifically applies to salespeople who employ the 'hope' method of selling. When I ask someone how their sales calls went and I hear, "No sales but I got a lot of really good leads", I know they're using the 'hope' method. If you've been in sales for a while, you know there's no such thing as a good lead. Unless it's your first week in the business, you shouldn't be excited about 'good' leads, only good sales. Salespeople who get excited about leads look for an ounce of interest and once they see it, remove themselves from the selling situation as quickly as possible 'hoping' those leads will translate to sales. They won't.

**They're afraid or uncomfortable being direct.** This is someone who has trouble being assertive coupled with a fear of rejection and having difficult conversations in general. They may also have some deep-seeded, negative beliefs about asking strangers questions.

**They haven't been trained properly.** This is someone who wings every sales call and doesn't have a sales process to follow.

### Here are some solutions to the above:

**Have a specific process along with a list of scripted, well-thought-out questions to ask on each call and in each situation.** You may not ask all of the questions on every sales call but you have to ask enough of them to ensure the person you're talking to has a need for your solution, and is in fact ready, willing, and able to invest in your product or service.

*Continued on page 5*



# **Automotive Aftermarket Association of the Mid-South, Inc. DBA—New York State Automotive Aftermarket Association**

## **2021 BUSINESS CONFERENCE**

The Margaritaville Resort  
Gatlinburg, Tennessee  
September 23-26, 2021



## **"CLIMBING THE MOUNTAIN BACK TO NORMALITY - AND BEYOND"**

### **-SCHEDULE AT A GLANCE-**

#### **Thursday, September 23, 2021**

7:00 pm - 8:30 pm ... Dinner for all Attendees at the Resort (Cash Bar)

#### **Friday, September 24, 2021**

8:30 am - 5:00 pm .... Conference Registration (Vendor Tabletop Displays)

9:00 am - 12:00 pm .. Board of Directors, Past Presidents and Past Directors Meeting

6:00 pm - 7:00 pm .... "Welcome Reception" (Vendor Tabletop Displays)

7:00 pm - Until ..... Dinner on Your Own

#### **Saturday, September 25, 2021**

7:30 am - 8:15 am .... Breakfast

8:00 am - 11:00 am .. Conference Registration (Vendor Tabletop Displays)

8:30 am - 9:15 am .... Annual Business Meeting and Association Programs/Services Update

9:15 am - 9:30 am .... Break

9:30 am - 10:15 am .. "Industry Representative Presentation" — To Be Determined

10:15 am -10:30 am .. Break

10:30 am -11:30 am .. "Industry Outlook" — Automotive Aftermarket Suppliers Association

11:30 am - 12:15 pm .. Industry Roundtable Discussion

6:30 pm - 7:30 pm ..... President's Reception (Vendor Tabletop Displays)

7:30 pm - 9:45 pm ..... Banquet, Awards, & Live Auction for Association Scholarship Fund

#### **Sunday, September 26, 2021**

8:00 am - 9:15 am ..... Breakfast and Inspirational Message - Jim Eastin, Pigeon Forge, TN

9:15 am .....Conference Adjourns

# 2021 AAAMS, INC./NYSAAA BUSINESS CONFERENCE REGISTRATION FORM

The Margaritaville Resort -- Gatlinburg, TN --- SEPTEMBER 23-26, 2021

**PLEASE PRINT OR TYPE.** (REFER TO THE BACK SIDE OF THIS FORM TO RESERVE ROOMS.)

FIRM \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY/STATE/ZIP \_\_\_\_\_

BY (\*) \_\_\_\_\_ PHONE # \_\_\_\_\_ FAX # \_\_\_\_\_

(\*) Email Address: \_\_\_\_\_

**OFFICE USE ONLY**

Date Rec'd \_\_\_\_\_

Amount Pd. \$ \_\_\_\_\_

Check No. \_\_\_\_\_

Amount Due \$ \_\_\_\_\_

**NAMES** (AS THEY WILL APPEAR ON BADGES):

NAME #1 \_\_\_\_\_ NAME #3 \_\_\_\_\_

NAME #2 \_\_\_\_\_ NAME #4 \_\_\_\_\_

**COMPLETE BUSINESS CONFERENCE PACKAGE(s)** (Includes \_\_\_\_\_ @ \$175.00/EA \$ \_\_\_\_\_  
Registration Fee, Friday Reception, Saturday Breakfast, Saturday  
Seminars, Saturday Reception, Saturday Banquet and Live Auction),  
Sunday Inspirational Breakfast, Chance on Grand Prize and Other Cash Prizes.)

**COMPLETE SPOUSE/CHILDREN PACKAGE(s)** (Includes Registration Fee \_\_\_\_\_ @ \$150.00/EA \$ \_\_\_\_\_  
and All of the Above Events) (Children under 10 years old - FREE)

**THURSDAY DINNER at the Resort** \_\_\_\_\_ @ \$60.00/EA \$ \_\_\_\_\_

(Thursday Dinner Fee not included in Complete or Spouse/Children Packages)

**IN LIEU OF COMPLETE PACKAGES, PLEASE RESERVE THE FOLLOWING:**

BUSINESS CONFERENCE REGISTRATION FEE (Everyone 10+ years of age) -- \_\_\_\_\_ @ \$75.00/EA \$ \_\_\_\_\_

SATURDAY BREAKFAST ----- \_\_\_\_\_ @ \$30.00/EA \$ \_\_\_\_\_

SATURDAY EVENING RECEPTION, AWARDS BANQUET, ENTERTAINMENT---- \_\_\_\_\_ @ \$70.00/EA \$ \_\_\_\_\_

**OTHER:**

TABLETOP DISPLAY TABLE(S) (6 foot table)----- \_\_\_\_\_ @ \$200.00/TABLE \$ \_\_\_\_\_

**ATTENDEES: FRIDAY BOARD OF DIRECTORS MEETING @ NO CHARGE-----** \_\_\_\_\_ @ \$0.00/EA \$ \_\_\_\_\_  
( \_\_\_\_\_ will attend the Friday Board Meeting.)

**\*\*CHECK (PAYABLE TO "AAAMS/NYSAAA BUSINESS CONFERENCE") IN THE AMOUNT OF \$ \_\_\_\_\_ IS ENCLOSED.**

**\*\*In order to win the BIG CASH GRAND PRIZE and other Cash Prizes, the Registrant must purchase the Complete or Spouses Complete Package and be present for the drawing.**

**\*\*CANCELLATION POLICY:** FULL REFUND IF RECEIVED AT AAAMS OFFICE BY 9/9/2021.  
AFTER 9/9/2021, ONLY REGISTRATION FEES WILL BE REFUNDED.

★ **Mail Registration & Check To:** AAAMS, Inc. • P.O. Box 97993 • Raleigh, NC 27624.

On Saturday, September 25th, a "Live Auction" will be held. Donated items will be on display beginning at 6:00 p.m.

The AAAMS, Inc./NYSAAA will donate all contributions from the Auction to the Scholarship Fund. We need your help. Items are needed for the auction. Please indicate on this form what you will be willing to donate. Cash is acceptable.

WE ARE WILLING TO DONATE:

\*ITEM(S) \_\_\_\_\_

\*ESTIMATED RETAIL VALUE(S) \_\_\_\_\_



# ROOM RESERVATIONS

1. All reservations at The Margaritaville Resort -- Gatlinburg, TN, must be made by the individual attendees directly with Margaritaville reservations by calling 1(888) 447-0222 or online as follows...[www.margaritavilleresortgatlinburg.com](http://www.margaritavilleresortgatlinburg.com) (click Book Now...complete dates of stay information...click Special Code and in Promo drop down box click Group Code and enter 5356896).
2. **CHECK-IN TIME IS 4:00 PM.** While some rooms may be available earlier, we have no guarantee that such will be the case.
3. **CHECK-OUT TIME IS 11:00 AM.**
4. **NOTE:** *If you fail to cancel your reservations 48 hours prior to your check-in date, you will be billed for one night's room plus tax.*

## DAILY RATES

**SINGLE/DOUBLE GUESTROOMS---- \$175.00 Per Room Per Night, Plus Tax**  
(At time of Reservation, be sure to request either a room with 2 Queen Beds or 1 King.)

**On premise self- parking is FREE...Valet parking is also available for \$12.00/Day.**

**PLEASE NOTE:** *The above sleeping room rate is offered 3 days prior and 3 days post event; based on availability as determined by the Resort.*

**THE MARGARITAVILLE RESORT**

**539 PARKWAY, GATLINBURG, TENNESSEE 37738**

**TELEPHONE 1(865) 430-4200**

**IMPORTANT!!! IMPORTANT!!! IMPORTANT!!!** We are holding a block of rooms for Friday and Saturday nights (9/24 and 9/25) and a smaller block for Thursday night (9/23) at The Margaritaville Resort. On AUGUST 19, we have to release any of those rooms for which we have not reserved and guaranteed payment. After that date, the rooms go to the open market, and are available on a first come, first served basis. SO...PLEASE RESERVE YOUR ROOM(S) EARLY!!!

**AUTOMOTIVE AFTERMARKET ASSOCIATION OF THE MID-SOUTH, INC.**

**DBA - New York State Automotive Aftermarket Association**

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**SEE YOU IN GATLINBURG!!!**